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C O N F I D E N T I A L SECTION 01 OF 02 MANAMA 000170

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E.O. 12958: DECL: 02/20/2017 TAGS: <u>PREL PGOV BA IR REGION</u>

SUBJECT: MFA ASSISTANT U/S DISCUSSES GSD, IRAN

Classified By: DCM Susan L. Ziadeh for reasons 1.4 (b) and (d).

Summary

11. (C) MFA Assistant Undersecretary Shaikh Abdul Aziz Al Khalifa expressed Bahrain's hope February 14 that progress on the Gulf Security Dialogue (GSD) would continue as a result of the upcoming visits to the U.S. by Crown Prince Shaikh Salman and FM Shaikh Khalid. He stressed that forward movement on all six pillars were a priority for Bahrain. He noted that Iranian officials had voiced concern to GOB officials following the GCC Plus Two meeting in Kuwait because they thought the parties were developing a secret plan against Iran. Shaikh Abdul Aziz expressed hope that the recent diplomatic breakthrough with North Korea would spur the Iranians to consider a similar path. Iran's economic situation is becoming untenable and U.S.-Bahraini cooperation serves as a notice to Iran that they are "backing the wrong players" and heading in the wrong direction. End Summary.

Progress on GSD

12. (C) In a conversation February 14 with PM DAS Coulter and NEA/ARP Office Director Misenheimer, MFA Assistant Undersecretary for Coordination and Follow Up Shaikh Abdul Aziz Bin Mubarak Al Khalifa expressed Bahrain's continued interest in seeing the GSD move forward without any breaks in progress. DAS Coulter assured him that the USG was committed to using the upcoming visits to the U.S. by CP Shaikh Salman Bin Hamad Al Khalifa and FM Shaikh Khalid Bin Ahmed Al Khalifa to take the next steps in the GSD process. Shaikh Abdul Aziz stressed that all six GSD pillars were important to Bahrain. The CP personally wants to head the talks and knows that his visit is a "golden opportunity" to strengthen the bilateral relationship. As examples of Bahrain's commitment to the GSD, Shaikh Abdul Aziz cited Bahrain's Navy participation in the U.S.-led Coalition Task Forces and the completion of a bilateral MOU on challenge inspections under the Chemical Weapons Treaty. He stressed, "We want to go all the way."

GCC Plus Two and Iran

13. (C) Referring to the recent GCC Plus Two meeting in Kuwait, Shaikh Abdul Aziz said that Iranian officials "hit the roof" out of concern that the joint statement following the meeting did not explicitly mention Iran. They were convinced this indicated the existence of a secret plan against Iran. Referring to the standoff over its nuclear program, Shaikh Abdul Aziz said that Iran is the most stubborn nation in the world and will present an unbending

front, but it will blink at the last moment. Reacting positively to DAS Coulter's statement that the USG approach with Iran is "Deter, Not Provoke," he said, "I love the phrase and support it all the way." As long as Iran is not provoked, it will hang itself through its current policy. He stressed, however, that Iran will not be humbled; it will spin whatever outcome into a victory for Iran. "Good will prevail, it just takes patience, but Iran will rally if it feels threatened."

- ¶4. (C) Referring to the recent diplomatic breakthrough with North Korea, Shaikh Abdul Aziz expressed hope that the Iranians would learn they "can join our camp, but they need to go along with the rules." He is scheduled to meet with the current Iranian ambassador, who completes his tour in Bahrain soon. He plans to discuss with him progress with North Korea and encourage Iran to take similar steps. FM Shaikh Khalid will visit Iran soon with Minister of Oil and Gas Affairs Dr. Abdul Hussein Ali Mirza to explore economic cooperation, but the FM will encourage the Iranians to move on the diplomatic front regarding their nuclear program.
- 15. (C) In terms of a strategic approach to the situation with Iran, Shaikh Abdul Aziz said that there were varying opinions, but in general the GOB viewed the military option as the wrong choice. Iran used to be the largest exporter of oil, but they are now importing petroleum products. "This can't go on for long," he said, "they must realize they are backing the wrong players." Close cooperation between Bahrain and the U.S. is good for Bahrain and shows the Iranians that they are going in the wrong direction.
- $\P6$. (C) When asked about recent reports of possible friction within the Iranian leadership, Shaikh Abdul Aziz said that

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the Iranian people are tired, but the one issue that unites the country is their nuclear program. The people had a level of optimism under former President Khatami, but now the climate had become more restrictive. He sees some frustration within the Iranian government toward President Ahmedinejad, but Ahmedinejad is able to move the people on the streets.